

DEFERRED COMPENSATION ADVISORY COMMITTEE

MINUTES

Thursday June 24, 2010

For information about this meeting, contact the Deferred Compensation Plan Office at (408) 975-1465 or email DeferredCompensation@sanjoseca.gov

Chair Robert Sapien called the Deferred Compensation Advisory Committee meeting to order at 9:03 a.m. on Thursday, June 24, 2010, City Hall, W-120.

Roll Call

Robert Sapien, Chair	Firefighter Representative (277-8810)
Franco Vado, Vice Chair	Police Representative (501-0960)
Pascal Roubineau	Employee's Representative (277-2660)
Peter Jensen	City Manager's Representative (975-7290)
Carol Garcia	Employees' Representative (808-2131)
Julia Cooper	City Manager's Representative (535-7011)

Unexcused Absence

Donna Busse	Management Employees' Representative (794-1020)
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Also Present

Linda BJORKE	City Attorney's Office
Jeanne Groen	Human Resources, Committee Secretary's Designee
Tina Smith	Human Resources, Deferred Compensation Staff
Rhonda Schmidt	Human Resources, Employee Benefits Staff
John Mayer	Buck Consultants
Gary Bozin	ING
Elizabeth Sanford	Councilmember Pete Constant's Office
Mike Ryder	Finance
Rasch Cousineau	ICMA-RC
Don Jurgens	ICMA-RC

APPROVAL OF MINUTES

1. **M.S.C** (Jensen/Vado) to approve the minutes for the regular Deferred Compensation Advisory Committee meeting on May 27, 2010.

DISCUSSION/ACTION ITEMS

2. Discuss and approve, or approve the Secretary's Designee to negotiate and execute, the agreement for auditor services from Macias, Gini & O'Connell, LLP and provide direction to staff.
Jeanne Groen provided an over-view of the Request for Proposal process to select the vendor for auditor services and the agreement terms.

NOTE: If you have any questions or concerns, please contact Courtney Phommachack at (408) 975-1433

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M.S.C. (Jensen/Roubineau) to approve the agreement as written.

3. Discuss Staff's verbal update on the First Amendment to the Stabilizer Contract, a stand-alone group annuity services agreement with ING Life Insurance and Annuity Company for the Stable Value fund option and provide direction to staff.

Jeanne Groen discussed the status of the contract process, which had been delayed, in part, due to additional work needed to ensure the City's standard contract language could be agreed upon by ING. Jeanne further informed the Committee that, once finalized, the contract would be provided to the Committee for approval. After approval participants must be given a 30 day notice regarding the change to the Stable Value Fund, so the July 1 start date of implementation of the changes agreed to by the Committee in the April 2010 Committee meeting must be delayed to ensure completion of the contract and notice requirements. If the agreement is ready for approval at the Committee's July 2010 meeting, staff anticipates that implementation could begin on September 1, 2010.

4. Discuss and approve exercising the first one-year Option Period, from July 1, 2010 through June 30, 2011, for the Consultant Services Agreement with Buck Consultants.

Jeanne Groen discussed the funding arrangement for the consultant services agreement with Buck Consultants and the one-year option to extend the agreement from July 1, 2010 to June 30, 2011. The consulting costs for this option period were approved by the Committee in February, 2010 as part of the budget for the 2010-2011 fiscal year. Staff recommended that the one-year option period be approved based on the work performed to date.

M.S.C. (Roubineau/Cooper) to approve exercising the first one-year option period of the consultant services agreement with Buck Consultants from July 1, 2010 through June 30, 2010.

5. Discuss and approve proposed amendments and adopt a Resolution amending the Committee's Rules of Order to clarify rule for excused absences and complete clean-up begun by the Committee in April 2010.

Linda Bjorke discussed the proposed amendments made to the Committee's Rules of Order based on Committee member input.

M.S.C. (Jensen/Cooper) to approve the amended Rules of Order with a correction to a typo in Section 104 (b).

The Committee also directed staff to change the agenda item for Unforeseeable Emergency Withdrawal Appeals to either remove the word "none" or provide more ambiguous language in order to allow flexibility to hear participant requests for an appeals in a timely manner.

6. Discuss staff report on status of the ongoing 1999-2007 Reconciliation project, and provide direction to staff.

Jeanne Groen provided a status report of the ongoing 1999-2007 Reconciliation project. Staff does not recommend any additional staffing to complete the project, which is nearly completed. She informed the Committee that staff expect to confirm the completion of this project at the Committee's July 2010 meeting.

7. Accept and discuss verbal update on attendance for the NAGDCA Conference in September, 2010.

Jeanne Groen informed the Committee that five (5) Committee members had expressed interest in attending the NAGDCA Conference and requested direction in selecting three (3) Committee members.

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M.S.C. (Roubineau/Jensen) to prioritize the NAGDCA Conference attendance by least seniority and least financial training or work experience. Therefore, the Committee member attendees will be Carol Garcia, Franco Vado and Robert Sapien.

INFORMATIONAL ITEMS

8. Report on Legislative, Market and Consultant Activity.
There was no report.
9. Verbal Update on ING Service Provider.
Gary Bozin, ING, provided the update.
10. Review ING Service Log and Loan Activity Report for April, 2010.
Gary Bozin, ING, provided a summary of the reports.
11. Update on May, 2010 Fund Performance Summary.
Gary Bozin, ING, provided a summary of the reports.

TRAINING

12. Responsibilities of Fiduciaries of Government Employee Benefit Plans.
Linda Bjorke, City Attorney's Office, provided the training.

NEXT MEETINGS

13. Next Committee Meeting: Thursday, July 22, 2010, City Hall, W-120, 9:00 a.m.

OPEN FORUM

14. There was no public comment.

UNFORESEEABLE EMERGENCY WITHDRAWAL APPEALS

15. None

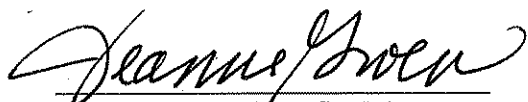
ADJOURNMENT

16. M.S.C. (Franco Vado / Pascal Roubineau) to adjourn at 9:54 a.m.



Robert Sapien, Chair
Deferred Compensation Committee

ATTEST:



Jeanne Groen, Benefits Manager
DCAC Secretary's Designee

NOTE: M.S.C. MEANS MOTION SECONDED AND CARRIED, UNLESS OTHERWISE INDICATED, MOTION PASSED UNANIMOUSLY.

